

Official Statement

RIALTO UNIFIED SCHOOL DISTRICT
San Bernardino County, California

\$1,650,000 PRINCIPAL AMOUNT

Election 1970, Series 2 Bonds
(General Obligations)

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MAY 8 1978

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Bids to be received by the Board of Supervisors of San Bernardino County,
Office of the Clerk of the Board of Supervisors, County Civic Building,
175 West Fifth Street, San Bernardino, California 92415
at 9:00 A.M., Monday, May 22, 1978.

no dup
[Stone & Youngberg, municipal financing consultants]
Rialto -- Economic conditions
School bonds -- California -- Rialto



CITY OF RIALTO AND VICINITY.

RIALTO UNIFIED SCHOOL DISTRICT
San Bernardino County, California

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Orrick, Herrington, Rowley & Sutcliffe, San Francisco
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc.
San Francisco and Los Angeles
Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS APRIL 26, 1978

79 00597

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$1,650,000 principal amount of the Election 1970, Series 2 Bonds, proposed to be issued by the Rialto Unified School District.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Rialto Unified School District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Election 1970, Series 2 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the Board of Education of the Rialto Unified School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Rialto Unified School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 150 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the section titled "The Bonds", excepting the material under the heading "Estimated Debt Service."

April 26, 1978

Robert H. Williams
Superintendent
RIALTO UNIFIED SCHOOL DISTRICT

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INTRODUCTION

The \$1,650,000 principal amount of Rialto Unified School District Election 1970, Series 2 Bonds represents the second and final sale within a total authorization of \$3,150,000 approved by more than two-thirds of the voters voting at an election held in the District on September 15, 1970. Proceeds from the sale of these general obligation Bonds will be used to provide needed additions to existing facilities.

The District, established in 1964, provides public educational services from kindergarten through the twelfth grade to approximately 43,500 residents in a 55-square mile area in the southwestern portion of San Bernardino County. Boundaries of the District embrace almost all of the City of Rialto, portions of the Cities of San Bernardino and Colton, and unincorporated county areas. The City of Rialto, which adjoins the City of San Bernardino to the west, is located 55 miles east of Los Angeles.

The District is characterized by residential areas served by shopping districts, and has an active cultural community. Light manufacturing industries provide employment opportunities. A modern municipal airport serves both private and commercial aircraft. The District's central location in the San Bernardino-Riverside-Ontario Metropolitan Area offers employment and marketing mobility, assisted by the proximity of interstate freeways, three main line railroads, and nearby Ontario International Airport.

In 1977 the City of Rialto lifted a moratorium on residential construction, in effect during the previous three years. As a result, the total value of building permits for the year increased over 3½ times from the preceding year, with residential permits accounting for 77 percent of total 1977 valuations. The surge of construction activity in Rialto continued in 1978. For the first three months of this year total building permit valuation exceeded \$21 million, compared with less than \$900,000 during the same period of 1977. The city has adopted a Growth Management Plan, restricting residential construction to 1,200 new single-family houses a year.

The total civilian labor force for the Rialto Zip Code Area in August 1976 was estimated at 12,543 out of a total population of 35,488. Civilian employment was 12,016, for an unemployment rate of 4.9%. Over 24 percent of area residents were employed in wholesale or retail trade, and 17.5 percent were in manufacturing jobs. Of those in manufacturing, more than three-fourths were employed in durable goods plants.

The District lies within the fifth largest metropolitan area in California. The San Bernardino-Riverside-Ontario Metropolitan Area has a wide variety of basic industries such as steel, agriculture, electronics, tourism, military installations, government facilities, and minerals. The only integrated steel mill on the Pacific Coast is located at Fontana, eight miles east of the District. The area accounts for 70 percent of the raw steel output in California. The growing sophistication of the area as a manufacturing center is illustrated by the expanding aerospace-electronics industry, once closely tied to defense markets, but now increasingly committed to commercial production. Centers of industrial employment in the Valley are San Bernardino, Fontana, Ontario, Redlands, and Riverside.

Over the past five years, the District's assessed valuation increased approximately 31.5 percent and assessed valuations per unit of average daily attendance increased approximately 39.4 percent. Average daily attendance over the past five years has decreased 5.7 percent, from 11,864 in 1973/74 to an estimated 11,188 in 1977/78. Upon delivery of the Election 1970, Series 2 Bonds currently being offered for sale, the District's direct debt will be \$6,069,180 or 5.99 percent of assessed valuation and 1.48 percent of estimated real value. Net direct and estimated overlapping debt will be 9.69 percent and 2.40 percent of assessed valuation and estimated real value respectively.

THE BONDS

AUTHORITY FOR ISSUANCE

The \$1,650,000 principal amount of Rialto Unified School District Election 1970, Series 2 Bonds, now being offered for sale are general obligations to be issued under provisions of Title 1, Division 1, Part 10, Chapter 2 of the State of California Education Code, and pursuant to a resolution of the Board of Supervisors of San Bernardino County adopted on March 27, 1978.

The Election 1970, Series 2 Bonds, in the principal amount of \$1,650,000 represent the second sale from an authorization of \$3,150,000 approved by District voters on September 15, 1970. Series 1 Bonds (\$1,500,000) were dated July 15, 1971. The sale of the \$1,650,000 Series 2 Bonds will complete the \$3,150,000 authorization.

TERMS OF SALE

Bids will be received by the Board of Supervisors of San Bernardino County on or before 9:00 A.M. on Monday, May 22, 1978, at the Office of the Clerk of the Board of Supervisors, County Civic Building, 175 West Fifth Street, 2nd Floor, San Bernardino, California 92415. The Bonds will be sold pursuant to the terms of sale contained in the Official Notice Inviting Bids adopted by the Board of Supervisors on March 27, 1978.

DESCRIPTION OF THE BONDS

The Election 1970, Series 2 Bonds, consist of \$1,650,000 aggregate principal amount dated June 1, 1978. The Bonds, all in the denomination of \$5,000, will mature serially in consecutive numerical order from lower to higher as set forth in the following maturity schedule:

<u>Maturity Date</u> <u>June 1</u>	<u>Principal</u> <u>Amount</u>
1979	\$ 50,000
1980	50,000
1981	50,000
1982	50,000
1983	60,000
1984	60,000
1985	60,000
1986	70,000
1987	70,000
1988	75,000
1989	80,000
1990	85,000
1991	90,000
1992	95,000
1993	100,000
1994	105,000
1995	115,000
1996	120,000
1997	130,000
1998	135,000

INTEREST

Interest on the Bonds at a rate not to exceed seven percent (7%) per annum is payable for the first year on June 1, 1979 and semiannually thereafter on December 1 and June 1.

REDEMPTION PROVISIONS

Bonds maturing on or prior to June 1, 1993 are not subject to call and redemption prior to their fixed maturity dates. Bonds maturing on or after June 1, 1994 are subject to call and redemption prior to their fixed maturity dates at the option of the District as a whole or in part in inverse order of maturity and number beginning with the highest numbered bond on any interest payment date on and after June 1, 1989 at the following redemption price: the principal amount of the bonds so called for redemption and accrued interest thereon to date of redemption plus a premium of (a) one-quarter of one percent of such principal amount plus (b) one-quarter of one percent of such principal amount for each year or portion of a year between the redemption date and the maturity date of the bonds so called for redemption.

PAYMENT

Both principal and interest are payable in lawful money of the United States of America at the office of the Treasurer-Tax Collector of San Bernardino County in San Bernardino, California.

EXECUTION AND REGISTRATION

Coupon bonds will be issued by the Board of Supervisors on behalf of the District. The Bonds will be executed by the manual signature of at least one official authorized to execute the Bonds. The Bonds are registrable only as to both principal and interest and are not subject to discharge from registration.

LEGAL OPINION

The legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, attesting the validity of the Series 2 Bonds, will be furnished to the purchasers without charge at the time of the original delivery of the Series 2 Bonds. A copy of the legal opinion will be printed on each bond. See the concluding paragraph of the "To Whom It May Concern" section of this Official Statement regarding the scope of Bond Counsel's review of this Official Statement. Bond Counsel's fee is payable from the proceeds of the Bonds and is contingent upon bond delivery.

TAX EXEMPT STATUS

In the opinion of Bond Counsel, the interest on the Bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions; and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

LEGALITY FOR INVESTMENT

In the opinion of Bond Counsel, the Bonds are legal investments in California for all trust funds and for the funds of insurance companies, commercial banks, trust companies, and for state school funds, and are eligible as security for deposits of public monies in California.

SECURITY

The Bonds are general obligations of the Rialto Unified School District, and the Board of Supervisors of San Bernardino County has the power and is obligated to levy ad valorem taxes for payment of the Bonds and the interest thereon upon all property within the District, subject to taxation by the District (except certain personal property which is taxable at limited rates), without limitation of rate or amount.

NO LITIGATION

At the time of payment for and delivery of said Bonds, the successful bidder will be furnished with a certificate that there is no litigation pending affecting the validity of the Bonds.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in the case entitled Serrano v. Priest.

The California Supreme Court in a decision dated December 30, 1976, affirmed the judgment of the Superior Court in that case. The decision requires that a new system for financing California primary and secondary schools must be implemented by September 3, 1980.

The Superior Court judgment as affirmed by the California Supreme Court contains a statement that the existing public school financing system shall continue to operate until an appropriate system, not in violation of the California Constitution, can be placed into effect.

Assembly Bill 65 has been enacted by the California Legislature and has been signed by the Governor in response to Serrano v. Priest. This bill is designed to place state school finance "substantially" in compliance with the Serrano v. Priest decision. This legislation significantly increases the amount of state money supplied to public school districts having a low local property tax basis, and provided for some equalization of tax moneys by redistributing some tax revenues of school districts having a high per-pupil property tax basis to school districts having a low per-pupil property tax basis. As the District is considered to have a low per-pupil property tax basis, the legislation requires the redistribution of property tax revenues to the District from other California school districts. Furthermore, the District will benefit from increased state financial support to be provided to school districts. The legislation does not affect tax rates for payment of principal and interest on general obligation bonds.

Litigation challenging such legislation has been filed. It cannot be predicted whether such legislation will be determined to be constitutional under the standard promulgated in Serrano v. Priest. Any further changes resulting from Serrano v. Priest in the sources of funds, including property taxation, applied to the support of public schools and any effect thereof on the moneys available to the District to pay the principal and interest on the Bonds are not determinable at this time. However, it is not believed that the result of any such further litigation will affect the validity of the Bonds.

PURPOSE OF ISSUE

The Bonds were authorized by more than two-thirds of the voters voting at an election duly held in the District and will be issued and sold for the purpose of raising money for authorized school purposes.

PROPOSED TAX LIMITATION CONSTITUTIONAL AMENDMENT

An Initiative Constitutional Amendment, commonly known as the "Jarvis-Gann Initiative", providing for, among other things, certain property tax limitations, will appear on the state-wide ballot in June 1978 as Proposition 13. The office of the Attorney General of the State of California has, in accordance with applicable law, provided to the Secretary of State of the State of California the following summary of the Jarvis-Gann Initiative:

"PROPERTY TAX LIMITATION, INITIATIVE CONSTITUTIONAL AMENDMENT. Limits ad valorem taxes on real property to 1% of value except to pay indebtedness previously approved by voters. Establishes 1975-76 assessed valuation as base value of property for tax purposes. Limits annual increases in value. Provides for reassessment after sale, transfer, or construction. Requires 2/3 vote of Legislature to enact any change in state taxes designed to increase revenues. Prohibits imposition by state of new ad valorem, sales or transaction taxes on real property. Authorizes imposition of special taxes by local government (except on real property) by 2/3 vote of qualified electors. Financial impact: Commencing with fiscal year beginning July 1, 1978, would result in annual loss of local government property tax revenues (approximately \$7 billion in 1978-79 fiscal year), reduction in annual state costs (approximately \$600 million in 1978-79 fiscal year), and restriction on future ability of local governments to finance capital construction by sale of general obligation bonds."

If approved by the voters, the initiative constitutional amendment could have a significant adverse impact on the financial condition of the District. Property tax revenue available to the District could be substantially reduced, and future increases in assessed valuation of property within the District could be substantially limited.

The District cannot predict whether this initiative constitutional amendment will be approved by the voters of the State of California or, if approved, whether the validity of the initiative will be challenged in the courts, or, if so challenged, whether the initiative will be upheld, in whole or in part. Also, the District is unable to make any predictions as to whether additional sources of money would be made available by the California Legislature to school districts, including the District, if the initiative is approved and results in a reduction in property tax revenues available to school districts, including the District.

The Initiative provides that the limitation on ad valorem taxes or assessments on real property to 1% of value does not apply to ad valorem taxes or assessments to pay indebtedness previously approved by the voters. Accordingly, the District believes that if the Initiative is approved, it will not limit the District's ability to levy ad valorem taxes for the payment of the Election 1970, Series 2 Bonds, and the interest thereon.

PROPOSED PROPERTY TAX LIMITATION

On March 3, 1978, the Governor of the State of California signed into law Senate Bill No. 1 (California Legislature--1977/78 First Extraordinary Session), commonly known as the "Behr Act." The Behr Act provides, among other things, for the taxation of owner-occupied dwellings at a different rate from other taxable property and revises the method of computing the maximum property tax rates which may be levied on property of all types by local agencies. Under the Act, tax rates in any future fiscal year are generally limited so that revenues produced with respect to "common property" will not exceed revenues produced in the immediately preceding fiscal year with respect to such property after adjustment by an inflation factor. "Common property" is generally defined as real property taxable in both fiscal years, not in a redevelopment project area subject to tax allocation financing, and which, if not owner-occupied, has not had an increase in assessed values greater than 50%. The Act provides that voters may impose higher maximum rates by a majority vote. The Behr Act also provides for a minimum 30% reduction in the tax rate applicable to owner-occupied dwellings, and for full reimbursement to the local taxing entities of the revenue lost as a consequence of this 30% reduction.

By its terms, the Behr Act will become operative only if (i) Proposition 8, which would amend the California Constitution to permit assessment of owner-occupied properties at a different rate than other properties, is approved by the voters at the June 6, 1978, election and (ii) Proposition 13, the Jarvis-Gann Initiative, is rejected by the voters at the June 6, 1978 election or declared unconstitutional by the courts. Due to these contingencies, the District cannot predict if the Act will ultimately become operative. If the Act does become operative, the Act will not affect the ability of the District to levy ad valorem taxes for the payment of the Bonds and the interest thereon.

ESTIMATED DEBT SERVICE

Table 1 presents a schedule of estimated annual debt service for the Bonds currently being offered for sale and debt service on prior District bonds. Estimated interest on the Bonds, as shown in Table 1, is at the rate of six percent.

TABLE 1
 RIALTO UNIFIED SCHOOL DISTRICT
 ESTIMATED BOND SERVICE REQUIREMENTS

Fiscal Year	\$1,650,000 Election 1970, Series 2 Bonds					Prior Bond Service (4)	Estimated Total Bond Service
	Outstanding June 1	Interest Payable (1) December 1	Interest Payable (1) June 1	Principal Maturing June 1	Estimated Annual Bond Service (3)		
1978/79	\$1,650,000	\$ --	\$ 99,000	\$ 50,000	\$ 149,000	\$ 520,198	\$ 669,198
1979/80	1,600,000	48,000	48,000	50,000	146,000	522,936	668,936
1980/81	1,550,000	46,500	46,500	50,000	143,000	520,343	663,343
1981/82	1,500,000	45,000	45,000	50,000	140,000	514,562	654,562
1982/83	1,450,000	43,500	43,500	60,000	147,000	484,947	631,947
1983/84	1,390,000	41,700	41,700	60,000	143,400	487,173	630,573
1984/85	1,330,000	39,900	39,900	60,000	139,800	430,520	570,320
1985/86	1,270,000	38,100	38,100	70,000	146,200	360,245	506,445
1986/87	1,200,000	36,000	36,000	70,000	142,000	347,270	489,270
1987/88	1,130,000	33,900	33,900	75,000	142,800	340,171	482,971
1988/89	1,055,000	31,650	31,650	80,000	143,300	305,675	448,975
1989/90	975,000	29,250	29,250	85,000	143,500	293,125	436,625
1990/91	890,000	26,700	26,700	90,000	143,400	280,575	423,975
1991/92	800,000	24,000	24,000	95,000	143,000	268,025	411,025
1992/93	705,000	21,150	21,150	100,000	142,300	110,000	252,300
1993/94	605,000	18,150	18,150	105,000 (2)	141,300	105,000	246,300
1994/95	500,000	15,000	15,000	115,000 (2)	145,000	--	145,000
1995/96	385,000	11,550	11,550	120,000 (2)	143,100	--	143,100
1996/97	265,000	7,950	7,950	130,000 (2)	145,900	--	145,900
1997/98	135,000	4,050	4,050	135,000 (2)	143,100	--	143,100
Totals		\$562,050	\$661,050	\$1,650,000	\$2,873,100	\$5,890,765	\$8,763,865

(1) Interest estimated at six percent per annum.

(2) Callable on or after June 1, 1989.

(3) Source: Stone & Youngberg Municipal Financing Consultants, Inc.

(4) Source: San Bernardino County Records of General Obligation Bond Service Requirements and District audit Reports. Includes former Rialto School District (\$621,879), assumptions of 16.630% of former San Bernardino High School District (\$207,135), and Rialto Unified School District (\$5,061,751).

THE IMPROVEMENT PROGRAM

The Rialto Unified School District was formed in 1964. The facilities of the District include nine elementary schools, three junior high schools, one high school and one continuation school.

The Election 1970, Series 2 General Obligation Bonds currently being offered are a part of a \$3,150,000 authorization approved by more than two-thirds of the voters at an election held in the District on September 15, 1970, and will be issued and sold for the purposes of raising money for authorized school purposes. The sale of the proposed \$1,650,000 Election 1970, Series 2 Bonds will complete the \$3,150,000 authorization.

Proceeds from the sale of the Election 1970, Series 2 Bonds will be used to improve existing facilities. The District states the proceeds from the sale of the Election 1970, Series 2 Bonds, totaling \$1,650,000, are planned to be used as follows:

Additions to Secondary Schools	\$1,150,000
Additions to Education Center	300,000
Contingencies	<u>200,000</u>
Total	\$1,650,000

DISTRICT ORGANIZATION AND FINANCIAL DATA

ORGANIZATION

The Rialto Unified School District provides kindergarten through twelfth grade educational services to residents of an area encompassing approximately 55 square miles that includes most of the City of Rialto, western portions of the Cities of Colton and San Bernardino, and adjacent unincorporated areas.

The District has operated as a unified school district under the laws of the State of California continuously since July 1, 1964. The District is governed by an independent Board of Trustees of five members who are elected at large for overlapping four-year terms. The District's affairs are administered by the Superintendent, who is appointed by the Board of Trustees. Mr. Robert H. Williams has served the District as Superintendent since July 1, 1974 and has been engaged in the field of education for 27 years.

FACILITIES AND ATTENDANCE

District facilities include 9 elementary schools, 3 junior high schools, one high school, and one continuation school. The District's staff includes 486 certificated, 222 classified, 61 administrative personnel, 353 part-time classified employees, and one part-time administrative employee. The District's enrollment as of October 1977 was 12,124.

Table 2 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance over the past five years. During this period, the District's assessed valuation increased approximately 31.5 percent and assessed valuations per unit of average daily attendance increased approximately 39.4 percent. Average daily attendance over the past five years has decreased 5.7 percent from 11,864 in 1973/74 to an estimated 11,188 in 1977/78.

Table 2
RIALTO UNIFIED SCHOOL DISTRICT
Assessed Valuation and Average Daily Attendance

Fiscal Year	Assessed Valuation (1)	Average Daily Attendance (2)	Assessed Valuation Per Unit Average Daily Attendance
1973/74	\$ 77,089,150	11,864	\$6,498
1974/75	83,352,255	11,532	7,228
1975/76	87,825,470	11,689	7,514
1976/77	90,955,990	11,489	7,917
1977/78	101,374,485	11,188 (3)	9,061 (3)

(1) Includes State reimbursed exemptions.

(2) Includes summer enrollments and special classes.

(3) Estimated during the period September 1977 through June 1978.

Source: San Bernardino County Auditor-Controller and District records.

ASSESSED VALUATIONS

The San Bernardino County Assessor assesses property for District tax purposes. The State Board of Equalization reports the 1977/78 San Bernardino County valuations average 24.7 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under California State Law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under the provisions of a Constitutional Amendment, the California Legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of such exemptions is reimbursed to the taxing entity from the state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for delinquencies. Table 3 presents the District's 1977/78 assessed valuation by tax roll, before and after these two exemptions.

Table 3
RIALTO UNIFIED SCHOOL DISTRICT
1977/78 Assessed Valuation

Tax Roll	Taxable Assessed Valuation	Homeowners Exemptions	Business Inventory Exemptions	Assessed Valuation for Revenue Purposes
Secured	\$70,831,810	\$14,193,840	\$ 161,665	\$ 85,187,315
Utility	9,120,440	--	--	9,120,440
Unsecured	<u>5,361,205</u>	<u>6,050</u>	<u>1,699,475</u>	<u>7,066,730</u>
Total	\$85,313,455	\$14,199,890	\$1,861,140	\$101,374,485

Source: San Bernardino County Auditor-Controller.

Table 4 shows a five-year history of the District's assessed valuation by tax roll prior to deductions for the two previously discussed special exemptions.

Table 4
RIALTO UNIFIED SCHOOL DISTRICT
Assessed Valuation by Tax Roll (1)

Tax Roll	1973/74	1974/75	1975/76	1976/77	1977/78
Secured	\$66,290,530	\$71,631,095	\$75,199,970	\$77,108,090	\$ 85,187,315
Utility	6,566,200	6,727,880	6,717,110	7,306,750	9,120,440
Unsecured	<u>4,232,420</u>	<u>4,993,280</u>	<u>5,908,390</u>	<u>6,541,150</u>	<u>7,066,730</u>
Total	\$77,089,150	\$83,352,255	\$87,825,470	\$90,955,990	\$101,374,485

(1) Includes reimbursable exemptions.

Source: San Bernardino County Auditor-Controller.

TAX RATES

Table 5 shows the Rialto Unified School District tax rates for the past five-year period. The District's total tax rate during this period ranged from \$4.8727 to \$5.4958 per \$100 assessed valuation.

Table 5 RIALTO UNIFIED SCHOOL DISTRICT Tax Rate Distribution by Purpose					
	1973/74	1974/75	1975/76	1976/77	1977/78
General Purpose	\$3.8515	\$4.2185	\$4.4222	\$3.8142	\$4.3448
Community Services	.1000	.1000	.1000	.1000	.1000
Meals for Needy	.0144	.0067	.0161	.0297	.0475
State Loan Repayment	.0962	.2095	.2748	.2915	.2271
Adult Education	--	--	--	.0643	.0918
Total General Purpose	\$4.0621	\$4.5347	\$4.8131	\$4.2997	\$4.8112
Special School Rates	.1681	.1286	.1336	.1815	.1479 (1)
School Building Aid	.0079	.0086	.0107	.0113	.0106
Bond Interest and Redemption	.6346	.5620	.5384	.5652	.4687
Total Tax Rate	\$4.8727	\$5.2339	\$5.4958	\$5.0577	\$5.4384

(1) Consists of the following: County Tuition .0073; Institutions .0560; Regional Occupational Programs .0130; Mentally Retarded .0143; Physically Handicapped .0173; and Development Center for Handicapped Minors .0084.

Source: County Superintendent of Schools.

There are 41 tax code areas in the District. In the 1977/78 tax year, total tax rates within these code areas range from \$9.6376 to \$13.7138 per \$100 assessed valuation. Tax Code Area 10627 is the largest code area by assessed valuation in the District, with a 1977/78 assessed valuation of \$5,318,940. Table 6 presents total tax rates in this tax code area for the past five years.

Table 6 RIALTO UNIFIED SCHOOL DISTRICT Tax Code Area 10627 Tax Rate Per \$100 Assessed Valuation					
	1973/74	1974/75	1975/76	1976/77	1977/78
County	\$ 3.1327	\$ 3.1466	\$ 3.1466	\$ 3.1616	\$ 2.8356
Schools	5.6360	5.9505	6.2124	5.7743	6.1550
County Service Areas	.3340	.1816	.2545	.2647	.1749
Fire	1.0002	1.0219	1.1174	1.1329	1.1292
Flood Control Zone	.3000	.3000	.3000	.3000	.2866
Municipal Water	.8500	.9800	.9800	.9800	.9500
Other Water	.3400	.3400	.3290	.3290	.3290
All Property	\$11.5929	\$11.9206	\$12.3399	\$11.9425	\$11.8603
Soil Conservation (Land Only)	--	--	--	--	.0275

Source: San Bernardino County Auditor-Controller

LARGE TAXPAYERS

A list of ten large taxpayers within the District and their 1977/78 assessed valuation is presented in Table 7.

Table 7
RIALTO UNIFIED SCHOOL DISTRICT
Major Taxpayers, Fiscal Year 1977/78

Taxpayer	Product or Service	Assessed Valuation
Pacific Telephone & Telegraph Co.	Public Utility	\$3,134,200
Southern California Edison	Public Utility	3,069,160
Southern California Gas Company	Public Utility	897,510
CALNEV Pipeline Company	Public Utility	792,210
Southern Pacific Transportation Company	Public Utility	693,090
Allied Farms, Incorporated	Shopping Center	574,900
San Bernardino Village Green	Apartments	466,275
Rialto Mart Company	Shopping Center	298,600
Eastun Square	Apartments	266,325
Meridian Park Apartments	Apartments	250,000

Source: San Bernardino County Office of the Assessor.

REVENUE LIMITATIONS

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not impose a maximum property tax rate for the purpose of meeting general obligation bond service payments. The Board of Supervisors of San Bernardino County is required to levy ad valorem taxes without limit as to rate or amount to meet general obligation debt service of the District.

Since 1973/74 allowable annual tax rates to be applied to a district's assessed valuation have been derived from a statutory formula which takes into account a number of factors including adjustments for inflation, limited mandatory contributions to the Teachers' Retirement System, basic state aid, state equalization aid, changes in average daily attendance, and prior years' tax collections. The tax required to raise the general purpose monies is the District's maximum general purpose tax rate (see Table 5).

The District's revenue limit per unit of average daily attendance and general purpose tax rate actually levied in 1976/77 were: \$1,101.00 and \$4.2997 per \$100 assessed valuation, respectively.

In 1977/78, the revenue limit per unit of average daily attendance is \$1,177.92 with a general purpose tax rate of \$4.8112 per \$100 of assessed valuation.

TAX LEVIES, COLLECTIONS, AND DELINQUENCIES

School District secured taxes appear on the same tax bill as county and city taxes, are payable in equal installments on November 1 and February 1 and become delinquent on December 10 and April 10 respectively. Taxes on properties appearing on the unsecured roll are assessed on March 1 and become delinquent the following August 31. Table 8 summarizes the general purpose secured tax levies and the amount and percentage of the levy delinquent as of June 31 for the past five fiscal years in the District's tax code areas.

Table 8
 RIALTO UNIFIED SCHOOL DISTRICT
 Secured Tax Levy and Delinquency

Year Ending June 30	Secured Tax Levy	Delinquent As of June 30		Prior Year (2) Collections	Total Amount Collected	Total Percent Collected
		Amount	Percent			
1973	\$3,405,621	\$135,294	3.97%	\$101,753	\$3,372,080	99.0%
1974	2,453,283 (1)	115,264	4.70	143,141	2,481,160	101.1
1975	2,966,184	132,486	4.47	133,810	2,967,508	100.0
1976	3,297,063	180,197	5.47	139,314	3,256,180	98.8
1977	3,034,947	109,318	3.60	193,638	3,119,267	102.8

(1) Reimbursable homeowners' exemptions increased to \$1,750 from \$750, resulting in a lower taxable assessed valuation.

(2) Includes interest and penalties.

Source: San Bernardino County Auditor-Controller, except prior years' collections, which are reported in District audit reports for individual years.

FUND BALANCES

The tabulation below presents the balances in all District funds as of June 30 for the past five fiscal years.

RIALTO SCHOOL DISTRICT
 Fund Balances as of June 30

Fund	1973	1974	1975	1976	1977
General Fund	\$1,065,552	\$1,019,933	\$ 506,227	\$1,024,875	\$ 842,196
Bond Interest & Redemption Funds					
Elementary Bonds	138,076	135,630	131,030	124,567	127,475
Unified Bonds	433,868	401,224	364,163	340,556	350,902
Bond Building Fund	1,344,219	135,165	130,537	133,863	--
State School Building Fund	393	12	1,110	1,609	2,093
Special Reserve Fund	--	131,533	195,689	261,736	81,488
Student Body Funds	18,485	22,080	19,427	21,561	28,625
Cafeteria Account	53,388	34,993	55,013	73,483	86,902

Source: District audit reports.

The tabulation in Table 9 show a summary of the District's 1976/77 actual income and expenditures and a summary of the District's 1977/78 general fund budget.

Table 9

RIALTO UNIFIED SCHOOL DISTRICT
General Fund Income and Expenditure

	1976/77 Actual (1)	1977/78 Budget (2)
<u>Income</u>		
Adjusted Net Beginning Balance	\$ 1,026,959 (3)	\$ 883,624
Federal Income	919,509	963,479
State Income	11,096,311	11,294,579
County Income	155,782	40,275
Local Income	3,483,066	4,920,998
Incoming Transfers	32,921	36,966
Total Available Income	\$16,714,548	\$18,139,921
<u>Expenditures</u>		
Certified Salaries	\$ 9,223,130	\$ 9,630,813
Classified Salaries	2,686,739	3,102,628
Employee Benefits	1,549,662	1,837,313
Books, Supplies and Equipment Replacement	752,962	939,444
Contracted Services and Other		
Operating Expenses	874,408	1,192,977
Sites, Buildings, Books, Media and		
New Equipment	234,199	151,144
Other Outgo, Including School		
Building Apportionment	551,252	610,615
Total Expenditures	\$15,872,352	\$17,464,934
Appropriations for Contingencies	--	\$ 504,987
Net Ending Balance	\$ 842,196	\$ 170,000
Total	\$16,714,548	\$18,139,921

(1) District Audit Report.

(2) Annual Budget Report (Form J-41), June 1, 1977 to June 30, 1978, adopted by the governing board of Rialto Unified School District on August 3, 1977.

(3) Beginning balance July 1, 1976 of \$1,024,875 plus prior year adjustment of \$2,084.

GENERAL FUND INCOME AND EXPENDITURES

Table 10 presents a five-year summary for fiscal years 1972/73 through 1976/77 of income and expenditures of the Rialto Unified School District as reported in annual audits of the District. Also included in Table 10 is the annual expenditure budget and the annual variation of these budgets to actual expenditures.

Table 10
 RIALTO UNIFIED SCHOOL DISTRICT
 Summary of General Fund Income and Expenditures

	Fiscal Year				
	1972/73	1973/74	1974/75	1975/76	1976/77
Beginning Balance July 1	\$ 1,029,274	\$ 1,065,552	\$ 1,019,933	\$ 506,227	\$ 1,024,875
Adjustment to Beginning	620	3,669	(920)	(8,745)	2,084
Net Beginning Balance	\$ 1,029,894	\$ 1,069,221	\$ 1,019,013	\$ 497,482	\$ 1,026,959
Income					
Federal Sources	\$ 719,326	\$ 627,442	\$ 879,842	\$ 900,856	\$ 919,509
State Sources	5,970,030	8,215,000	8,547,088	9,840,475	11,096,311
County Sources	234,926	162,340	132,114	101,641	155,782
Local Sources	3,673,434	2,824,870	3,286,092	3,578,724	3,483,066
Incoming Transfers	16,532	15,852	16,852	29,356	32,921
Subtotal	\$10,614,248	\$11,845,504	\$12,861,988	\$14,451,052	\$15,687,589
Total Income Available	\$11,644,142	\$12,914,725	\$13,881,001	\$14,948,534	\$16,714,548
Expenditures: (1)					
Certificated Salaries	--	--	\$ 8,044,117	\$ 8,429,310	\$ 9,223,130
Classified Salaries	--	--	2,320,414	2,365,554	2,686,739
Employee Benefits	--	--	1,135,614	1,273,541	1,549,662
Books, Supplies, Equip- ment Replacement	--	--	643,443	672,667	752,962
Contracted Services	--	--	673,471	675,251	874,408
Administration	\$ 326,600	\$ 378,184	--	--	--
Instruction	7,531,908	8,242,016	--	--	--
Health Services	86,409	107,594	--	--	--
Pupil Transportation	281,099	322,303	--	--	--
Operation of Plant	874,945	945,713	--	--	--
Maintenance of Plant	282,829	336,549	--	--	--
Fixed Charges	780,834	998,251	--	--	--
Food Services	16,314	5,532	--	--	--
Community Services	60,656	74,616	--	--	--
Capital Outlay	207,735	239,981	291,866	146,760	234,199
Debt Service - Repayment					
School Building Aid Loans	104,493	77,172	165,476	233,700	263,115
Outgoing Transfers & Other	24,768	166,881	100,373	126,876	288,137
Total Expenditures	\$10,578,590	\$11,894,792	\$13,374,774	\$13,923,659	\$15,872,352
Revised Budget Expenditures	\$11,870,240	\$12,772,763	\$13,699,716	\$13,942,901	\$16,770,067
Variance to Actual Expenditures	1,291,650	877,971	324,942	19,242	897,715
Ending Balance June 30	\$ 1,065,552	1,019,933	\$ 506,227	\$ 1,024,875	\$ 842,196

(1) Beginning in 1974/75 all school districts in the State of California were required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items in 1974/75 and subsequent years cannot, therefore, be directly compared with prior years.

Source: District audit reports for individual years.

DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT

The district's general obligation bonding capacity is equal to 10 percent of its assessed valuation after all exemptions except homeowners; and business inventory, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment level with the statewide average ratio. The factor is used to offset differences in assessment levels for intercounty school districts and conforms assessment to the statewide average assessment level for all property. The District's bonding capacity as of May 22, 1978 as reported by the County Auditor is \$10,146,674. Upon delivery of the Election 1970, Series 2 Bonds currently being offered, the District's direct general obligation bonded debt will be \$6,069,180 (includes \$192,180 of former Rialto School District, \$552,000 of former San Bernardino High School District, and \$5,325,000 of Rialto Unified School District). Table 11 is a statement of direct and estimated overlapping bonded debt of the District as of May 22, 1978.

The District's share of authorized unsold bonds is as follows: Metropolitan Water District (\$3,650); Rialto Unified School District (\$1,618,000). As of June 30, 1977, the District's State School Building Aid repayable amounted to \$7,535,784.

OTHER INDEBTEDNESS

The other additional long term liabilities of the District include: (1) a \$32,408.50 annual lease-purchase contract for data processing equipment (the lease will be in effect for seven more years), (2) a \$20,928.51 annual lease-purchase contract for a communication system (the lease will be in effect for five more years), and (3) a \$11,140 annual lease for a driver trainer simulator (the lease will be in effect for one more year). These are obligations of the general fund and separate from the debt service redemption fund.

EMPLOYER-EMPLOYEE RELATIONS

Certificated personnel of the Rialto Unified School District are members of the recognized professional organization of the Rialto Educational Association (California Teachers Association Affiliante). Classified employees may be members of the California School Employees Association. Administrative personnel are members of the Rialto School Administrators Association.

Effective July 1, 1976, provisions of the Rodda Act codified as Chapter 961 of the 1975 Statutes affect all school districts in California. In case of labor disputes, local grievance procedures may be operative (if established by contract), or both parties may agree to submit grievances to final and binding arbitration pursuant to rules adopted by the Educational Employment Relations Board, which administers the Act. The Act's provisions with respect to the rights, obligations, and unfair practices applicable to management and labor became effective April 1, 1976.

TABLE 11
 RIALTO UNIFIED SCHOOL DISTRICT
 Statement of Direct and Estimated Overlapping Bonded Debt (1)

	Estimated Population	43,500
	Assessed Valuation (1977/78)	\$101,374,485 (2)
	Estimated Real Value	\$409,979,917 (3)

Public Entity	Percent Applicable	Estimated Debt Applicable May 22, 1978
San Bernardino County Building Authorities	3.364%	\$ 448,199 (4)
San Bernardino Free Library Authorities	4.063	41,443
San Bernardino County Flood Control District, Zone #2	14.070	77,104
Rialto Unified School District	100.	6,069,180 (5)
City of Colton	3.568	97,584
City of San Bernardino & Authority bonds	4.039	1,070,133
San Bernardino Valley Metropolitan Water District	10.920	2,522,520
West San Bernardino County Water District, ID #2	10.622	21,244
Metropolitan Water District	0.001	5,271
Chino Basin Municipal Water District	0.042	5,905
Total Gross Direct and Overlapping Bonded Debt		\$10,358,583 (6)
Less: San Bernardino sewage treatment bonds (100% Self-supporting)		494,575
Colton electric bonds (100% Self-supporting)		41,567
Total Net Direct and Overlapping Bonded Debt		\$ 9,822,441

	Ratio to		
	Assessed Valuation	Real Value	Per Capita
Assessed Valuation	---	---	\$2,330
Direct Debt	5.99%	1.48%	140
Net Direct and Estimated Overlapping Debt	9.69%	2.40%	226

(1) Compiled in cooperation with California Municipal Statistics, Inc.

(2) The 1977/78 Assessed Valuation is before deduction of \$16,061,030 homeowner's and business inventory exemptions, the taxes on which are paid by the State of California.

(3) The State Board of Equalization reports that the 1977/78 San Bernardino County assessed valuation averaged 24.7 percent of full market value. Public utility property (\$9,120,440) is assessed at 25 percent of full market value by the State.

(4) Excludes \$26,970 share of County lease-purchase obligations which are not bonded debt.

(5) Includes \$1,650,000 to be sold on May 22, 1978.

(6) Excludes revenue bonds.

PENSION PLANS

The District participates in the State of California Teachers' Retirement System (STRS). This plan covers basically all full-time certificated employees. The District's contribution to STRS for fiscal year 1976/77 amounted to \$571,171, which includes both current costs and backfunding.

The District also participates in the State of California Public Employees' Retirement System (PERS). This plan covers all classified personnel who are employed at least 50 percent of the workweek. The District's contribution to PERS for 1976/77 amounted to \$208,096 which includes both current costs and backfunding.

Both systems are operated on a statewide basis. Records are maintained in such a way that information relating to vested benefits, unfunded vested benefits, and prior service costs are not available for the District.

The State Teachers' Retirement System (STRS) operates under provisions of the State Education Code. The System includes California public teachers from preschool through grade fourteen and certain other employees of the public school system. There were approximately 334,200 active and inactive members, 72,368 benefit recipients, and 1,149 participating agencies at June 30, 1977. Membership is mandatory for all certificated employees meeting the eligibility requirements.

The System is financed by earnings from investments and contributions from members, school districts, and the State of California, which pays \$144,300,000 annually to the year 2002, subject to annual legislative appropriation. Under present rules, members contribute eight percent of applicable earnings, and school districts contribute a percentage of applicable member earnings, rising to eight percent beginning July 1, 1978. However, under legislation enacted in 1977, new increased rates, effective July 1, 1979, would result in total contributions of 21 percent of payroll after a five-year period. The employer rate would increase to 10 percent, and the State of California would contribute three percent, with the employee rate remaining at eight percent.

At July 30, 1977, the total unfunded obligation of the System was \$9,894,721,919, as determined by the independent actuary. This includes the present value of future State contributions provided by the State Teachers' Retirement Law (\$1,666,000,000). Comparable figures for June 30, 1976 were \$9,420,709,989 and \$1,577,182,428, respectively. In the opinion of the Chief Executive Officer for STRS, the additional contributions referred to above, while helpful, will not solve the funding problem.

Actuarial valuations of the System are based upon the entry-age-normal cost method, which is a projected benefit cost method wherein level normal cost rates (contributions) are computed sufficient to fund benefits over the entire service life of members. The System's financial statements are prepared on the accrual basis of accounting.

The State Teachers' Retirement System's actuary is Milliman & Robertson, Inc., of San Francisco, California; Investment Counsel for equities is Scudder, Stevens & Clark, San Francisco, California; Auditor is Coopers & Lybrand, Sacramento, California.

State Public Employees' Retirement System. This system was originally established in 1931. As of June 30, 1977, there were 556,769 members, of whom approximately 10% are classified as "safety" members (principally fire and police duties) and the balance are classified as "miscellaneous" members (management, administrative, staff, operational and clerical employees).

Approximately one-third of the members are state personnel and the balance are public agency personnel. As of June 30, 1977, the System provided retirement, death and survivor benefits under 980 contracts for about 1,900 public agency employers (cities, counties, school districts, and other public agencies) with 374,051 members. The System's funding is by employer and employee contributions together with investment income. Contributions fluctuate yearly depending on the number of members and their respective salary schedules.

Total assets of the System at June 30, 1976 were \$7,896,416,533 according to the annual audit. Of this amount, net assets of \$7,858,768,831 were available for benefits.

The annual contribution by employers for the 1975/76 fiscal year was \$598,526,949. The annual contribution by employees for the 1975/76 fiscal year was \$306,801,465.

The most recent actuarial valuation, performed by PERS, utilized census data as of June 30, 1976. The total unfunded obligation of the System was determined to be \$6,753,964,123. The method used was entry age normal cost, which is a projected benefit cost method wherein level employer normal cost rates, considering present member contributions, are calculated at amounts sufficient to fund benefits over the entire service life of members.

Except for the pooling of certain public agency miscellaneous members, actuarial evaluations are performed for each participating employer, and the total accrued actuarial liability noted above is the sum of the individual employer accounts. A program for implementation of necessary contribution rate increases has been established, calling for a series of annual increases until appropriate employer rates are achieved on or before July 1, 1979.

The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Coopers and Lybrand, Sacramento, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being conducted no less than every four years. This function is now the responsibility of Management Applied Programming, Inc., Los Angeles, California.

ECONOMY OF THE DISTRICT

The Rialto Unified School District covers approximately 55 square miles in southwestern San Bernardino County. Boundaries of the District embrace almost all of the City of Rialto, portions of the Cities of San Bernardino and Colton, and unincorporated county areas. The City of Rialto, which adjoins San Bernardino to the west, is located 55 miles east of Los Angeles and 445 miles south of San Francisco.

The District is characterized by attractive residential areas served by convenient shopping districts, and has an active cultural community. Light manufacturing industries provide employment opportunities, adding to the tax base. A modern municipal airport serves both private and commercial aircraft. The District's central location in the San Bernardino-Riverside-Ontario Metropolitan Area offers advantages of employment and marketing mobility, enhanced by the proximity of interstate freeways, three main line railroads, and nearby Ontario International Airport.

CITY OF RIALTO

The City of Rialto was incorporated November 17, 1911, and is a general law city, with the Council-Administrator form of government. The Police Department employs 51 persons, including 39 sworn officers. The Fire Department employs 33, manning two fire stations and two Paramedics Squads. The city has a total of approximately 200 employees.

POPULATION CHARACTERISTICS

The population of the City of Rialto expanded by a factor of nearly six during the decade of the fifties, increased over 52 percent during the sixties, and grew 11.2 percent in the 1970-77 period. Although the latter indicates a slowdown in the rate of population growth, substantial new residential construction activity (see "New Construction") points to an accelerated rate of increase as new houses are completed and occupied. The following tabulation provides census data and the most recent population estimates.

POPULATION DATA

	1940	1950	1960	1970	1977	Percent Change 1970-77
City of Rialto	1,770	3,156	18,567	28,370	31,550	11.2%
San Bernardino County	161,108	281,642	503,591	682,233	723,800	6.1%

Sources: Decennial data, U.S. Bureau of the Census.
January 1, 1977 estimates by the State Department of Finance.

In the 1970 U.S. Census, the median age of Rialto residents was 25.1 years, with over 40 percent of the total population under 18 years of age. The largest population group consisted of those in the 18-64 age bracket (53.3%). There were 3.45 persons per household. Median school years completed was 12.3.

In August 1976 the U.S. Department of Labor surveyed the Rialto Zip Code Area (population 35,488) and determined that approximately 45 percent of the population were under the age of 20, with 8.2 percent 60 or older. Median school years completed had increased to 12.5 and 9.3 percent of all residents were college graduates.

1975 SPECIAL CENSUS

During April 1975 a Special Census was conducted for San Bernardino County by the U.S. Bureau of the Census. Rialto was one of the participating cities which, with the County, shared the cost. The information was tabulated by Census Tracts and County Planning Districts.

Boundaries of the District extend into all or part of seven Census Tracts, as reflected in the following tabulation. In the aggregate, these areas experienced a population decline of approximately four percent between 1970 and 1975. However, there was a 9.9 percent climb in the number of dwelling units. In general, the northern part of the District gained additional residents, but the eastern and southern sectors, i.e., those bordering San Bernardino and Colton lost population.

1975 SPECIAL CENSUS

Census Tract	Area	Population		Dwelling Units	
		1970	1975	1970	1975
27	Rialto North	3,743	3,869	938	1,060
35	Rialto NW	10,413	10,884	3,163	3,754
37	Rialto CBD	1,841	1,651	773	744
38	Rialto NE	8,454	8,518	2,308	2,608
39	Rialto E	3,847	3,763	1,168	1,336
43	San Bernardino Terrace	7,375	6,456	1,907	1,900
44	San Bernardino SW	5,093	4,034	1,673	1,704
		40,766	39,175	11,930	13,106

Source: U.S. Bureau of the Census.

INCOME AND HOUSING

In 1970 the median family income in the City of Rialto was \$10,752, and the average family income \$11,259. (Comparable county-wide figures were \$9,439 and \$10,513, respectively). The following table shows the distribution of family income in 1970, as reported in the Federal Census.

INCOME AND HOUSING

Income Class	No. of Families	Percent of Total
Less than \$8,000	2,052	28.4%
8,000 - 9,999	1,094	15.1
10,000 - 11,999	1,245	17.2
12,000 - 14,999	1,271	17.6
15,000 - 24,999	1,386	19.2
25,000 or more	180	2.5
Total	7,228	100.0%

The 1970 Census of Housing reported 8,527 all-year housing units in the city, of which more than 83 percent were single family houses, and over 72 percent were owner-occupied.

The 1970 median value of Rialto owner-occupied houses was \$17,600, compared with \$17,000 in San Bernardino County. Monthly rental was \$104, considerably higher than the county's \$92.

EMPLOYMENT

As already noted, the U.S. Department of Labor prepared a Manpower Profile for the Rialto Zip Code Area in August 1976. The total civilian labor force was estimated at 12,653, out of a total population of 35,488. Civilian employment was 12,016, for an unemployment rate of 4.9%.

According to this survey, over 24 percent of area residents were employed in wholesale or retail trade, and 17.5 percent were in manufacturing jobs. Of those in manufacturing, more than three-fourths were employed in durable goods plants. The distribution of employment is shown below, as reported in this special survey.

RIALTO ZIP CODE AREA (1) MANPOWER PROFILE 1976

Industry	Employment	Percent of Total
Construction	927	7.7%
Manufacturing	2,105	17.5
Public Utilities	1,175	9.8
Transportation	596	5.0
Trade	2,896	24.1
Finance, Insurance, Real Estate	1,016	8.5
Professional and Related Services	1,070	8.9
Educational Services	1,107	9.2
Public Administration	1,044	8.7
Other	80	0.6
Total	12,016	100.0%

(1) Population 35,488.

Source: U.S. Department of Labor.

The distribution of employment by occupation in this Labor Department study revealed that approximately one-fourth of all employed persons in the Rialto Zip Code Area are in professional or managerial positions, as reflected in the following tabulation.

RIALTO ZIP CODE AREA
MANPOWER PROFILE 1976

Occupation	Employment	Percent of Total
Professional and Kindred	1,817	15.1
Managers (Except Farm)	1,167	9.7
Clerical and Kindred	2,363	19.7
Sales Workers	1,025	8.5
Craftsmen, Foreman, and Kindred	1,976	16.4
Operatives and Kindred	1,622	13.5
Service Including Domestic	1,422	11.8
Other	624	5.3
Total	12,016	100.0%

Source: U.S. Department of Labor

Current employment statistics are available only for the Riverside-San Bernardino-Ontario Labor Market, consisting of San Bernardino and Riverside Counties. In January 1978 this labor market had a civilian labor force of 530,700 and total civilian employment of 491,500, with resulting unemployment of 7.4%. Both employment and unemployment improved considerably over January 1977, as shown in an accompanying tabulation.

Leading categories of employment in this two-county labor market are state and local government, services, retail trade, and manufacturing, in that order. Between January 1977 and January 1978, largest job gains were reported in services (5,400 new hires), state and local government (4,000), retail trade (3,600), and durable goods manufacturing (2,200).

RIVERSIDE-SAN BERNARDINO-ONTARIO LABOR MARKET
Labor Force, Employment and Unemployment

	January 1978	January 1977
Civilian labor force (1)	530,700	503,900
Civilian employment (1)	491,500	454,700
Unemployment (1)	39,200	49,200
Unemployment rate	7.4%	9.8%
Employment: (2)		
Agriculture, forestry	18,400	18,300
Manufacturing - durables	42,100	39,900
Manufacturing - nondurables	16,000	15,200
Mining	2,500	2,100
Construction	17,500	15,900
Transportation, utilities	20,500	19,400
Wholesale trade	14,900	14,100
Retail trade	76,500	72,900
Finance, insurance, real estate	14,800	14,100
Services	78,100	72,700
Federal government	14,500	14,400
State and local government	<u>80,800</u>	<u>76,800</u>
Total	396,600	375,800

(1) By place of residence.

(2) By place of work. Wage and salary employment only.

Source: State Employment Development Department.

INDUSTRY

Among the nationally known firms with operations in Rialto are Georgia-Pacific Corporation, which employs over 150 workers at local plants producing plastic bottles and corrugated containers, and Fleetwood Enterprises, Inc., which produces travel trailers under the name of Prowler Industries, Inc. at its Rialto plant.

Other local industrial firms are Halsey Machine and Manufacturing Co., a steel fabricator, Pyrotronics, Inc., producer of fireworks, and San Rae Sportswear, maker of sports apparel. Major industrial employers in Rialto and in neighboring industrial areas of Colton and San Bernardino are listed on the following page.

Within the city limits of Rialto are 2,887 acres of land zoned for light and heavy industry. About 64 percent is vacant and available in parcels ranging from one to 200 acres, including acreage in three industrial districts. Typical sales prices (1976 prices) range from \$3,500 to \$7,000 per acre. Outside the city limits are approximately 900 acres zoned M-1 and M-2 available for industrial development. The City of Rialto has active plans to develop an industrial park near the Rialto Municipal Airport.

**LARGEST INDUSTRIAL EMPLOYERS
DISTRICT AND VICINITY**

Company	Product or Service	No. of Employees
<u>Rialto</u>		
Apollo Manufacturing Co.	Fireworks	51-100
California Tile Co.	Concrete Roof Tile	51-100
Georgia-Pacific Corp.	Plastic Bottles, Corrugated Containers	101-250
Halsey Machine & Mfg. Co.	Fabricated Steel Products	51-100
Matich Corp.	Asphalt Paving Materials	251-500
Phototron Co.	Wholesale Photo Finishing	251-500
Prowler Industries, Inc. (Fleetwood Enterprises)	Travel Trailers	101-250
San Rae Sportswear	Shirt Manufacturing	51-100
Owl Rock Products Co.	Building Materials	101-250
Pyrotronics Inc.	Fireworks, Displays	150
<u>Colton</u>		
Arrowhead Puritas Water	Bottled Water	51-100
Bendix Home Systems, Inc.	Mobile Homes	101-250
California Citrus Pulp Co.	Canned Citrus Peels, Bases	51-100
California Portland Cement Co.	Cement	251-500
Colton Mfg., Inc., Ceramic Div.	Vitreous China Fixtures	101-250
Colton Mfg., Inc., Steel Div.	Enameled Steel Fixtures	101-250
Engineered Fiberglass, Inc.	Recreational Vehicle Products	51-100
Golden West Insulation	Wood Fibre Insulation	51-100
Griffin Wheel Co.	Cast Steel Rail Car Wheels	101-250
Inland Empire Meat Co., Inc.	Wholesale Meats, Frozen Foods	51-100
Inland Valley Engineering	Engineering, Design, Fabrication	51-100
Martin-Decker Co.	Industrial Scales	51-100
Muskin Corp. (Sub. AMCORD)	Misc. Products	251-500
Owl Service Rock Co.	Building Materials	51-100
TCP, Inc.	Tufted Carpets	51-100
Universal Feeds, Inc.	Animal Feeds	51-100
Weyerhaeuser Co.	Shipping Cartons	101-250
Whittaker Coatings	Paint	101-250
<u>San Bernardino</u>		
Coca Cola Bottling Co.	Soft Drinks	51-100
Dr. Pepper-Squirt Beverage Co.	Soft Drinks	51-100
Franklin Press	Printing	51-100
Fredericks-Hansen Paint Co.	Paint and Sundries	51-100
Hanford Foundry Co.	Steel Castings	101-250
Mode O'Day Co.	Dresses, Sportswear	101-250
Paramount Trends, Inc.	Women's Sportswear	51-100
Roger's Bindery	Bookbinding	51-100
San Berdee Sportswear	Men's Shirts	51-100
Seven-Up Bottling	Soft Drinks	51-100
Sun Co. of San Bernardino	Newspaper Publishing	251-500
Terry Industries, Inc.	Travel Trailers	101-250
TRW Systems Group	Systems Engineering	251-500

Source: Economic Development Department, San Bernardino County.

COMMERCE

There are no major shopping centers in the District, due to the proximity of regional shopping complexes in San Bernardino. Nevertheless taxable sales in the City of Rialto exceed \$80 million annually, based on returns for the first nine months of 1977. The history of taxable transactions in the city since 1973 is presented below.

CITY OF RIALTO

Taxable Transactions

Year	No. of Outlets	Value of Transactions
1973	441	\$51,796,000
1974	466	60,327,000
1975	495	57,040,000
1976	503	68,581,000
1977 (9 Mos.)	506	61,462,000

Source: State Board of Equalization.

NEW CONSTRUCTION

In 1977 the City of Rialto lifted a moratorium on residential construction, in effect during the previous three years. As a result, the total value of building permits for the year increased over $3\frac{1}{2}$ times from the preceding year, with residential permits accounting for 77 percent of total 1977 valuations.

The surge of construction activity in Rialto continued in 1978. For the first three months of this year total building permit valuation exceeded \$21 million, compared with less than \$900-000 during the same period of 1977. The city has adopted a Growth Management Plan, restricting residential construction to 1,200 new single-family houses a year. Building permit valuation since 1973 is summarized on the following page.

CITY OF RIALTO
Building Permit Valuation
(\$000 Omitted)

Type	1973	1974	1975	1976	1977
New Residential	\$3,929	\$1,394	\$ 884	\$1,680	\$12,040
Other Residential	610	829	720	542	912
New Commercial Industrial	842	840	722	375	1,169
Other Nonresidential	<u>1,284</u>	<u>1,313</u>	<u>391</u>	<u>1,724</u>	<u>1,532</u>
Total Value	\$6,665	\$4,376	\$2,717	\$4,321	\$15,653
No. of New Dwelling Units:					
Single	145	53	33	66	355
Multiple	<u>120</u>	<u>--</u>	<u>--</u>	<u>11</u>	<u>48</u>
Total Units	265	53	33	77	403

Source: California Construction Trends, Security Pacific Bank

Developer activity in Southern California is monitored quarterly by the First American Title Insurance Company. An accompanying exhibit presents developer activity in the Fontana-Rialto area during the fourth quarter of 1977.

TRANSPORTATION

The San Bernardino Freeway (Interstate 10), principal highway between Los Angeles and San Bernardino, traverses the southern portion of the District. U.S. 66 (Foothill Boulevard) bisects the District in an east-west direction. Traversing the northern part of the District is California 30 (Highland Avenue). All of these principal highways intersect Interstate 15, the main route between San Diego and Las Vegas, which runs about three miles east of the District.

The Santa Fe Railway, Southern Pacific Railroad, and Union Pacific Railroad provide rail service to the District. There are 24-hour switching service and reciprocal switching agreements between all three railroads. Southern Pacific maintains an extensive computerized switching yard at Colton, near the southeast boundary of the District.

All major motor freight lines have terminals in the immediate area, providing daily scheduled service to all national points. Overnight delivery is available to areas located in California, Nevada, and Arizona.

Interurban bus service is provided by Southern California Rapid Transit, Greyhound Bus Lines and Continental Trailways. Local bus service in Rialto and surrounding communities is scheduled by Omnitrans, which initiated service in January 1975.

Shipping facilities to intercoastal and world markets, located approximately sixty miles to the southwest via the freeway network, are available at Los Angeles Harbor and Port of Long Beach.

DEVELOPER ACTIVITY IN THE DISTRICT AND VICINITY
Fourth Quarter 1977

FONTANA-RIALTO AREA

Subdivision Name	No. of Lots	Notices of Completion	Total Recorded Sales	Developer
Sold-Out Tract totals	912	720	864	
(Poplar Ave./Merrill Ave.)	16	16	16	Pamela Enterprises
(Acacia Ave./Montrose St.)	42	42	42	Hacienda Enterprises
(Date St./Sequoia Ave.)	19	19	19	Inland Empire Co.
Crossroads	39	2	19	S & J Industries
(Poplar Ave./Maliory Dr.)	38	15	24	Los Pueblos Devel. Co.
Sierra Vista	83	23	18	Ranewood, Inc.
Long Estates	35	20	35	Buddy N. Long
Eucalyptus Homes Nortin	24	24	24	Mission Enterprises
Lilac View Homes	53	0	0	Bone, Inc.
Palmview Village	82	82	25	E.R.N. & Assoc.
(Locust Ave./Fairview Dr.)	9	3	3	B & I Devel.
(Cypress/Randall)	24	24	24	Vitalie-Nugent
(San Bernardino/Briarwood)	43	43	8	Baker Marlow & Co.
(Blanchard/Reed)	10	10	3	Benny & Irene Classetti
(Tamarind/Ceres)	24	24	24	Mead & Peterson
(Oleander/Iris)	83	25	71	Roohr & Helfman
(Poplar/Pine)	6	6	1	Donald & Moran Walker
(San Bernardino/Sewell)	28	19	10	Vitalie-Nugent Enterprise
(Sultana/Birch Court)	48	48	48	M. J. Brock & Sons, Inc.
(Devon/Malachite)	64	53	57	John C. Heers, Inc.
(Fairview/Williams)	29	1	1	B & I Devel.
(Malachite/Konocti)	55	55	0	John C. Heers, Inc.
(Hellman/Arrow Route)	78	30	10	K. L. K. Devel. Co.
(Spruce/Randall)	89	30	10	Boruchin Ent., Inc.
(Malachite/Friant)	46	0	0	J. C. Heers, Inc.
(Fillmore/Carter)	16	16	15	Fabricators, Inc.
(Lemon/Hunter)	50	0	0	Cassetti, Roohr, Helfman
(Tokay/San Bernardino)	38	0	0	Mead
(Jasper/Whirlaway)	20	0	0	Thomas & Norma Manning
(Cheshire/Larch)	18	0	0	Rancho Verde Homes
(Citron/Manco)	8	0	0	Sierra Escrow Co.
(Cheshire/Spruce)	70	0	0	Housing Group
(Holly/Palmetto)	7	0	0	Quality Devel. & Home Bldrs.
(Deodar/Kaiser)	13	0	3	Erickson, Antwerp, et al
(Willow/Easton)	19	0	0	Edward Littleton
(Belmont/Sycamore)	40	0	0	Boruchin Enterprises, Inc.
(Coral Tree/Sycamore)	39	0	0	Boruchin Enterprises, Inc.
(Shamwood/Sycamore)	30	0	0	Boruchin Enterprises, Inc.
(Walnut/Park)	36	0	0	A. G. Enterprises
(Carter/Arrowhead)	52	0	0	Fabricator, Inc.
(Arbeth/Date)	55	0	0	Boruchin Enterprises, Inc.
(Spruce/Grove)	14	0	0	Danersa
(Spruce/Grove)	14	0	0	Danersa
(Cornell/Eucalyptus)	35	0	0	Arev/Partida
(Cedar/Rosewood)	155	0	0	Frank H. Ayres & Son
(Sycamore/Walnut)	71	0	0	The Housing Group
(Palmetto/Orchard)	19	0	0	Felix & Angela Ricciuti
TOTALS	2,798	1,350	1,374	

Source: First American Title Insurance Company.

Ontario International Airport, 16 miles west of the District, is a dominant factor in the industrial development and future potential of the area. The existence of the airport is considered a major attraction in the location of industries for whom air freight and transportation of personnel are considered of growing importance. Nine air carriers have regularly scheduled flights to and from Ontario International Airport, which is under the control of the Los Angeles Department of Airports. The Department plans to spend more than \$100 million in improvements at Ontario in accordance with its master plan by 1980. The 1,450-acre terminal, second largest in Southern California, accommodates more than 1.3 million passengers and over six million pounds of air cargo annually. Rialto Municipal Airport has facilities for servicing general and executive aircraft.

UTILITIES

Electric power, natural gas and telephone service are provided by Southern California Edison Co., Southern California Gas Co., and Pacific Telephone Co.

EDUCATION

The District is part of the San Bernardino Community College District, which operates San Bernardino Valley College in San Bernardino. This two-year institution had a total enrollment of 16,094 students in the 1976/77 academic year, and full-time enrollment of 5,055.

Within a 30-mile radius of the District are the Riverside campus of the University of California, San Bernardino State College, California State Polytechnic University at Pomona, University of Redlands, Loma Linda University, the Claremont Colleges (Scripps, Pomona, Claremont, Harvey Mudd, Pitzer), and the Claremont Graduate School.

COMMUNITY FACILITIES

Commercial banking services in the District are provided by Bank of America NT & SA, Bank of California and Security Pacific National Bank (2 branches). Additional financial services are offered by Home Savings and Loan Association and Santa Fe Federal Savings and Loan Association.

In the immediate and surrounding area of the District are four general hospitals with a total capacity of 2,203 beds. The new Veterans Hospital at Loma Linda is less than seven miles east via freeway. Crestview Convalescent Hospital in Rialto offers nursing and hospital care.

The County of San Bernardino Library System maintains a branch library in the City of Rialto. As mentioned previously, Rialto has a police department and a fire department. In county areas, public safety functions are carried out by the Central Valley Fire Protection District with a station in Fontana, and an office of the County Sheriff's Department at Fontana.

Newspapers published in the District include the Rialto Record, the Rialto News, and the Hi-Liter. The District is within broadcast range of radio and television outlets in the Los Angeles and San Bernardino-Riverside metropolitan areas.

Recreation and Parks Services of the City of Rialto maintains three parks and 12 playgrounds in the community. Located within the District are El Rancho Verde Country Club, the Sam Snead Golf Course, and the Sequoia Country Club.

The Cucamonga-Guasti County Regional Park, located a few miles west of the District, opened in May 1974. The park has a one-half acre lagoon for swimming and two lakes, one for fishing and boating and the other reserved for fishing only.

The 697-acre, \$25.5 million Ontario Motor Speedway is located 12 miles west of the District. The speedway includes a 2.5 mile oval track for cars of Indianapolis caliber, a 3.5 mile road race circuit, and a quarter-mile drag strip. Permanent grandstand seats will accommodate 85,000; portable stands and infield spectators extend the audience capacity to over 200,000. Parking is available for 51,000 vehicles.

The District's location on an interstate highway between the Los Angeles and San Bernardino metropolitan areas provides District residents easy access to the cultural and recreational advantages of both areas, as well as the many facilities in Orange County, e.g. Disneyland and Knott's Berry Farm.

SAN BERNARDINO VALLEY

The District lies within the fifth largest metropolitan area in California, composed of San Bernardino and Riverside Counties. This area had a January 1, 1977 estimated population of 1,284,200 (State Department of Finance), about 12.5 percent greater than the 1970 U.S. Census tabulation.

The San Bernardino-Riverside-Ontario Metropolitan Area has a wide variety of basic industries such as steel, agriculture, electronics, tourism, military installations, government facilities, and minerals. The only integrated steel mill on the Pacific Coast is located at Fontana, eight miles east of the District. The area accounts for 70 percent of the raw steel output in California.

The growing sophistication of the area as a manufacturing center is illustrated by the expanding aerospace-electronics industry, once closely tied to defense markets, but now increasingly committed to commercial production. Centers of industrial employment in the Valley are San Bernardino, Fontana, Ontario, Redlands, and Riverside.

INDUSTRY

The Metropolitan area's metal industry is dominated by Kaiser Steel Corporation at Fontana, site of the largest integrated steel mill west of the Mississippi, with a rated capacity in excess of 3,400,000 tons. Four Kaiser fabricating plants and the steel mill employ between 9,000 and 9,300 people. Many related metal fabricating plants are also located in the area. There are 22 primary metal companies and 85 fabricating companies in San Bernardino County.

Transportation equipment is the next largest industry and includes manufacturers of mobile homes and trailers, fiberglass parts, truck trailers and automobile parts, and aircraft maintenance. Producers of stone, clay, and glass products account for a substantial share of industrial employment and payrolls in the County. Leaders in this category are cement and its numerous end products.

Another major industry is food processing, particularly citrus fruits in canned, frozen, and concentrated form. The largest firm in this sector is the Orange Products Division of Sunkist Growers, Inc. Located in Ontario, the firm employs over 700 people. The Lemon Products Division at Corona, Riverside County, employs 400. Other industries contributing to increasing industrial employment in San Bernardino County are machinery, electrical equipment, printing and publishing, furniture and fixtures, and chemicals.

As previously mentioned, the leading categories of employment are government, services, retail trade and manufacturing. A summary list of large employers appears on the following page.

SAN BERNARDINO-RIVERSIDE-ONTARIO LABOR MARKET

Selected Major Employers

Employer	Product/Service	No. of Employees
<u>Manufacturing Employment:</u>		
Amax Aluminum Mill Products, Inc., Riverside	Aluminum sheet, tubing	1,100
Bourns, Inc., Riverside	Electronic components	1,600
Deutsch Co., Banning	Electronic components	900
E. L. Yeager Constr. Co., Rubidoux	Heavy construction, concrete	850
Fleetwood Enterprises, Riverside	Mobile homes, recreation vehicles	1,450
Freightliner Corp., Chino	Trucks	501-1,000
General Electric Co., Ontario	Appliances, aviation services	Over 1,000
Johns-Manville Fiber Glass Div., Corona	Fiberglass insulation	400
Kaiser Steel Co., Fontana	Iron, steel, structural shapes	9,000
Kerr-McGee Chem. Corp., Trona	Potash, borax	501-1,000
Lockheed Aircraft Service Co., Ontario	Aircraft maintenance	Over 1,000
Owens-Illinois, Lily Tulip Div., Riverside	Containers	430
Press-Enterprise Co., Riverside	Printing, publishing	585
Riverside Cement Co., Riverside	Cement	600
Sunkist Growers, Ontario	Orange products	501-1,000
Sunkist Growers, Corona	Lemon products	450
Rohr Industries, Riverside	Aircraft components	1,040
Toro Co., Riverside	Irrigation systems	350
<u>Non-Manufacturing Employment:</u>		
Central City Mall, San Bernardino	Regional Shopping center	3,000
General Telephone Company	Communications	400
Inland Center Mall, San Bernardino	Regional shopping center	2,500
Kasler Corp.	Highway construction	250-500
Loma Linda University & Hospital	University and hospital	5,200
March Air Force Base, Riverside	Defense (civilians only)	1,300
Norton Air Force Base, San Bernardino	Defense	11,000
Pacific Telephone Co.	Utility	800
Riverside County	County government	4,000
San Bernardino County	County	7,000
San Bernardino School System	Unified school system	3,000
San Bernardino State College	State college	525
San Bernardino Valley College	Community college	700
Santa Fe Railroad	Transportation	3,000
Southern Pacific Railroad	Transportation	1,200
Southern California Edison	Electrical-utility	600
Southern California Gas Co.	Gas-utility	350
TRW Systems Group	Research/program management	750
University of California, Riverside	Education	3,600

Sources: San Bernardino Economic Development Department and Riverside County
Department of Development.

EDUCATION

Public education in San Bernardino County is administered by 19 elementary school districts, two high school districts, 13 unified (K-12) school districts, and four community college districts. Enrollment in the elementary grades has stabilized in recent years. However, enrollment in the secondary grades has increased, as shown in the following five-year summary.

SAN BERNARDINO COUNTY

Total Enrollment in Public Schools

Grades K-14	1973	1974	1975	1976	1977
Elementary (K-8)	113,616	111,339	111,146	111,599	113,896
Secondary	66,444	69,296	71,466	72,443	72,159
Community College	<u>28,697</u>	<u>32,818</u>	<u>41,835</u>	<u>36,271</u>	<u>35,024</u>
Total	208,757	213,453	224,447	220,313	221,079

Source: County Superintendent of Schools.

Within the County are eight universities and colleges. In addition, there are five two-year community colleges--in San Bernardino, Yucaipa, Alta Loma, Victorville, and Barstow. The world-renowned Loma Linda University is a coeducational complex of schools offering undergraduate and graduate degrees including doctoral programs in varied academic and professional fields. The University of Redlands, a private liberal arts college granting baccalaureate and master's degrees, is known for its outstanding programs in the fields of business administration, education, music, chemistry, engineering, mathematics and physics. On the same campus is Johnston College, an experimental cluster college where students negotiate study contracts with their professors. California State College at San Bernardino, three miles east of San Bernardino, offers the Bachelor's degree in 28 majors, and the Master's degree in education with specialization in elementary education, or English and history for secondary teachers.

TAXABLE SALES

Taxable sales in San Bernardino County exceeded \$2.3 billion in 1976, an increase of 18½ per cent over total taxable transactions the previous year, and 28½ percent greater than taxable sales in 1974. The following tabulation presents taxable transactions for retail outlets and all outlets by individual years since 1972.

SAN BERNARDINO COUNTY

Taxable Transactions (\$000 omitted)

	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1972 (1)	5,951	\$1,115,231	15,309	\$1,472,978
1973	6,089	1,279,608	15,670	1,686,423
1974	6,091	1,354,669	16,072	1,823,841
1975	6,182	1,471,122	16,862	1,977,173
1976	6,294	1,726,263	17,673	2,343,336
1977 (2)	6,406	1,506,555	18,392	1,607,456

(1) Sales of gasoline for highway use became taxable July 1, 1972.

(2) Nine months

Source: State Board of Equalization.

FINANCIAL

In the first half of 1977, bank debits in the San Bernardino-Riverside-Ontario Metropolitan Area amounted to more than \$22.9 billion, as reported by the Federal Reserve Bank of San Francisco. This was an increase of 15.1 percent over the same period of 1976. Bank deposits at June 30, 1977 were \$1,023 million, 23.2 percent greater than total deposits at June 30, 1976.

PER CAPITA INCOME

The U. S. Department of Commerce estimates that per capita money income in San Bernardino County was \$4,363 in 1974, compared with \$3,604 in 1972 and \$3,002 in 1969. The 45.3 percent increase in the 1969-74 period exceeded the statewide increase of 41.5 percent.

CONSTRUCTION ACTIVITY

After a low point in 1974, building permit valuations in San Bernardino increased by over 57 percent the following year. In 1976, the annual gain exceeded 65 percent, to a level of \$515,552,000 for the year. Total valuation in 1977 will establish a record, as reflected in the tabulation below. Single-family residential valuation accounted for the bulk of building permit valuation in 1976, with permits for over 10,000 new homes. This trend continued in 1977 with permits for single-family homes exceeding 15,000. Also 1977 reflects increased activity in multi-family construction.

SAN BERNARDINO COUNTY
Building Permit Valuation (\$000 omitted)

Year	1972	1973	1974	1975	1976	1977
Residential:						
New Single-Family	\$114,253	\$112,789	\$ 91,903	\$185,659	\$382,444	\$658,939
New Multi-Family	42,767	26,568	10,009	8,207	7,888	36,977
Additions, Alterations	12,993	13,922	17,537	23,201	28,511	40,555
Non-Residential						
New Commercial	22,347	29,342	27,449	17,669	39,681	49,808
New Industrial	9,855	11,644	10,394	38,472	14,655	26,547
Alterations, Additions	8,332	7,459	6,881	7,031	9,244	10,511
Other	<u>33,457</u>	<u>42,010</u>	<u>33,295</u>	<u>30,833</u>	<u>33,129</u>	<u>53,882</u>
Total Valuation	\$244,004	\$243,734	\$197,468	\$311,072	\$515,552	\$877,219
No. of New Dwelling Units:						
Single-Family	5,989	5,190	3,473	5,192	10,008	15,746
Multi-Family	<u>3,931</u>	<u>1,962</u>	<u>634</u>	<u>494</u>	<u>472</u>	<u>2,243</u>
Total Units	9,920	7,152	4,107	5,686	10,480	17,989

Source: "California Construction Trends", Security Pacific Bank.

AGRICULTURE

The fertile San Bernardino Valley is a major agricultural area, extending 40-50 miles in an east-west direction. It forms a part of the citrus belt of Southern California, and is a leading dairy producing area in the nation. Gross value of farm products in San Bernardino County exceeded \$354 million in 1977, highest value on record for the county. There were 17 commodities with a valuation in excess of one million dollars, headed by milk and eggs.

The following tabulation presents county agricultural production values by individual years since 1974. A list of the million-dollar crops in 1977, reported by the County Agricultural Commissioner, accompanies the tabulation.

SAN BERNARDINO COUNTY
Gross Value of Farm Production

	1974	1975	1976	1977
Fruit and nuts	\$ 20,596,500	\$ 16,690,800	\$ 18,539,900	\$ 20,636,800
Vegetables	3,454,500	3,693,600	4,189,900	3,872,700
Field crops	12,065,100	13,823,000	16,075,200	13,203,100
Seed crops	96,900	92,100	301,000	142,500
Nursery prod., cut flowers	4,462,700	4,751,800	5,681,100	8,117,100
Apiary products	1,174,000	924,200	536,500	702,700
Livestock and poultry	37,832,400	41,958,000	40,533,600	40,283,800
Animal products	211,757,500	226,014,500	256,301,600	265,172,300
Aquaculture, worms	-	-	1,107,000	1,508,800
Total Value	\$291,439,600	\$307,948,000	\$343,265,800	\$353,639,800

Other agricultural areas in the western states have been experiencing crop losses due to drought conditions. However, according to the County Agricultural Commissioner, no serious crop damage nor substantial reduction in yield is expected in San Bernardino County.

SAN BERNARDINO COUNTY
Million Dollar Crops 1977

1. Milk	\$203,223,000	10. Pullets	\$ 3,776,000
2. Eggs	61,838,000	11. Lemons	3,229,000
3. Cattle and Calves	17,688,000	12. Grapes	2,596,000
4. Nursery Products	8,514,300	13. Grapefruit	2,085,000
5. Turkeys	8,421,000	14. Sheep and Lambs	1,296,000
6. Alfalfa Hay	8,003,000	15. Pasture-Permanent	1,275,000
7. Navel Oranges	6,941,000	16. Grain Hay	1,104,000
8. Chicken Fryers	6,164,000	17. Strawberries	1,080,000
9. Valencia Oranges	4,567,000		

Source: County Department of Agriculture.

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